

CONTROLLER STEVE WESTLY

STATE OF CALIFORNIA

300 Capitol Mall
Sacramento, CA 95814
916.445.2636
www.controller.ca.gov

FOR IMMEDIATE RELEASE:
JULY 26, 2004

CONTACT: PAUL HEFNER
916-324-2356

Westly: Budget “Day of Reckoning” At Hand

Up to \$570 Million in Payments to Schools, Colleges, Cities and Counties on Hold

SACRAMENTO – With unpaid bills piling up across the state, Controller Steve Westly today warned that the budget delay would soon force California to cut off up to \$570 million in payments to community colleges, local governments and schools.

“The day of reckoning for the budget impasse is at hand. California needs a budget now,” Westly said. “I am doing everything I can to keep vital services going, but California can’t pay its bills without a budget – and the bills are stacking up.”

Westly said the budget impasse would hold up a number of payments scheduled this week, including portions of \$250 million earmarked for K-12 school districts and \$107 million to cities and counties.

Without a budget in place, Westly said, California’s 109 community colleges would receive none of the \$213 million in state funding due to be distributed Wednesday.

“We’re 48 hours away from cutting off all state support to community colleges – money they’re counting on to start fall classes,” he said.

What’s more, small businesses that provide services to the state are being affected as agencies throughout the state cannot pay day-to-day expenses such as office leases, phone bills, and maintenance for office equipment, Westly said.

Despite the budget impasse, Westly said he will continue to keep vital services intact, including payroll for state employees, basic funding for school districts, and health and welfare programs required by federal law.

Controller Westly called on parties negotiating the state spending plan to complete their work as quickly as possible.

“There’s still time for California to start paying its bills again – and prevent major disruptions for schools, local governments and thousands of small businesses,” Westly said. “But that time is running out.”

[California Community Colleges Monthly Payment Schedule 2004-2005 Advance Apportionment](#)

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